

Michael F. Easley
Governor



State of North Carolina Office of the Governor

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GOV. EASLEY ANNOUNCES 164 JOBS FOR RANDOLPH COUNTY ***\$104 Million Investment By Malt-O-Meal Brings New Plant To Asheboro***

RALEIGH – Gov. Mike Easley announced today that Minnesota-based cereal maker Malt-O-Meal Company will open a manufacturing facility in Asheboro. The expansion into North Carolina, made possible in part by a Job Development Investment Grant, will create 164 jobs over the next six years and an investment of \$104 million by the company.

“Malt-O-Meal’s decision to open a facility in North Carolina is excellent news for the hardworking people of Randolph County,” Easley said. “This only strengthens North Carolina’s reputation as a business-friendly state with a workforce that invites companies to locate here.”

Malt-O-Meal plans to move into the building being vacated by Unilever Best Foods. Unilever made dried food products there until it closed in August, laying off 150 workers. Easley said this announcement provides an opportunity for many of those people to return to work in a field in which they have experience.

Malt-O-Meal products are distributed throughout the United States through a network of warehouses. The products are shipped by truck directly from plants in Minnesota and Utah to regional distribution centers in Minnesota, Tennessee and Utah. Company officials decided that a manufacturing facility in the eastern part of the nation would enable it to provide better customer service and reduce distribution costs. Before deciding on North Carolina, the company considered sites in Tennessee, Kentucky, Virginia, West Virginia and Pennsylvania.

“Choosing North Carolina was a pretty easy decision for us once we stacked up all the evidence and reviewed our criteria such as central location within the eastern seaboard, the skilled labor force available in the greater Asheboro area and the No.1 ranking of the state’s business climate in *Site Selection* magazine,” said John Lettmann, CEO of the Malt-O-Meal company. “We plan to grow and North Carolina made the most sense.”

More than 25 million families a year eat Malt-O-Meal cereals. The company also makes private-label cereals for supermarket chains.

The new jobs, which will be mainly production positions, will pay an average yearly salary of \$36,000 not including benefits, which is significantly higher than the Randolph County average of \$27,500, not including benefits.

The state’s Economic Investment Committee earlier today voted unanimously to award a JDIG grant to the company to facilitate this project. Under the terms of the JDIG agreement approved by the committee, a 10-year grant will be established. Over the life of the grant, the N.C. Department of Commerce estimates the project will:

- Generate a cumulative gross state product value of about \$351 million;
- Produce a positive, cumulative net state revenue impact of \$9.93 million; and
- Contribute \$357,000 to the state’s Industrial Development Fund for infrastructure improvements in rural and economically distressed areas of North Carolina.

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